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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH

CENTRAL DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

NATIONAL NOTE OF UTAH, LC, a Utah
Limited Liability Company and WAYNE
LaMAR PALMER, and individual,

Defendants.

**PROPOSED THIRTY-FIRST
STATUS REPORT OF R. WAYNE
KLEIN, RECEIVER**

*For the Quarter Ending
March 31, 2020*

2:12-cv-00591 BSJ

The Honorable Bruce S. Jenkins

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R. Wayne Klein, the Court-Appointed Receiver (the “Receiver”) of National Note of Utah, LC (“National Note”), as well as certain subsidiaries and entities affiliated with National Note and the assets of Wayne LaMar Palmer (“Palmer”), hereby submits this Thirty-First Status Report for the period January 1, 2020 through March 31, 2020 (the “Reporting Period”).

I.

ABBREVIATED PROCEDURAL HISTORY

This above-captioned civil action was commenced by the United States Securities and Exchange Commission (the “SEC”) on June 25, 2012, alleging that National Note and Palmer engaged in securities fraud.¹ After trial in 2015, the Court entered judgment against Palmer and National Note, finding that they had engaged in securities fraud and imposing civil penalties in the amounts of \$1,050,000.00 and \$900,000.00, respectively.²

In addition, a grand jury indicted Palmer and his cousin, Julieann Palmer Martin, in 2015 on criminal charges. Both later pled guilty. On May 11, 2018, Ms. Martin was sentenced to 16 months in prison followed by three years of probation and ordered to pay approximately \$2 million in restitution. She was released from prison on August 9, 2019.

On August 31, 2018, Palmer was sentenced to 60 months in prison and three years of post-release supervised probation. Palmer reported to prison on August 14, 2019. In addition to incarceration, Palmer was ordered to pay \$52,944,855.41 in restitution to 564 investors, with at least \$500 being required to be paid each month after his release from prison. His restitution payments are being tracked by the United States Department of Justice, including with information provided by the Receiver.

¹ Docket No. 1.

² See Docket No. 1043.

II.

REAL ESTATE TRANSACTIONS

Attached hereto as Exhibit A is a chart setting forth the status of all real properties in the Receivership Estate as of March 31, 2020. At this time, all real property of the Receivership Estate has been administered. Below is a summary of what has occurred during the Reporting Period.

A. Closing of All Elkhorn Ridge Lots. Thirty seven lots located in the “Elkhorn Ridge” subdivision in Malad, Idaho, representing all the remaining unliquidated real property of the Receivership Estate, was sold at auction in December 2019 for total gross sales in the amount of \$532,500.00.³ On March 6, 2020, the Receiver filed *Receiver’s Notice of Public Sale Results (37 Lots, Elkhorn Ridge Estates)*, reporting on the auction results, that all sales closed between January 17 and February 18, 2020, and final sums received by the Receivership Estate.⁴ The Report discloses the following aggregate amounts:

Appraised values	\$531,000
Sales prices	\$532,500
Commission, closing costs	(\$43,644.60)
Net sales proceeds	\$488,855.40

B. Turnover of Common Area to Owners’ Association. Prior to the sale of these lots, the Receiver controlled common areas of Elkhorn Ridge, to maintain the value of the property. With the sale of all 37 lots closed, the Receiver no longer has any reason to retain control over the subdivision’s common areas. Accordingly, on March 4, 2020, the Receiver sent

³ See Docket No. 1470.

⁴ *Id.*

notice to all lot owners that a meeting of property owners would be held on April 9, 2002 in Malad, Idaho. The purpose of the meeting was to elect members of a board of directors to form a property owners association and take control over the common areas. On March 24, 2020, the Receiver notified property owners that the meeting was postponed and may be canceled due to concerns about the possible spread of coronavirus. In its place, the Receiver has determined to conduct the election of the board of directors via email or online voting. Persons interested in serving on the board have provided information to the Receiver, who will use this information for an online election system. The results of this election will be reported in the next status report.

III.

DISTRIBUTIONS

A. Initial Distribution. On November 21, 2016, pursuant to an *Order Granting Receiver's Motion for Approval of (1) Proposed Distribution Methodology and Plan of Distribution, and (2) Proposed Initial Distribution Modified*,⁵ the Receiver distributed approximately \$4.49 million to the holders of "Allowed Claims" according to the distribution methodology approved by the Court for the initial distribution. All distribution checks related to this initial distribution cleared. Subsequently, on May 14, 2018, the Court entered an *Order* allowing payment of \$20,960.85 to the holders of three formerly "Disputed Claims".⁶ Those payments were made and those checks have cleared the bank.

⁵ Docket No. 1231.

⁶ Docket No. 1376.

B. Second Distribution. On June 21, 2018, the Court entered an *Order Granting Receiver's Amended Motion Seeking Authorization to Make Second Distribution*.⁷ Pursuant to that Order, the Receiver distributed on June 29, 2018 a total of \$2,005,394.41 to 228 holders of Allowed Claims entitled to a distribution under the rising tide methodology approved by the Court. All these distribution payments have cleared the bank.

C. Plans for Third and Final Distribution. With all real property sold and all collections completed, the only remaining asset of the Receivership Estate is cash in the total amount of \$1,273,974.30 as of the close of the Reporting Period. The Receiver is formulating a plan to make a final distribution, less appropriate administrative expenses, and request a close of the receivership. The Receiver expects that a motion will be filed in the coming weeks.

IV.

FINANCIAL REPORT

A. Bank Accounts. During the Reporting Period, the Receiver closed the “Real Estate Account” he had been maintaining, transferring the proceeds of that Account to the general “Operating Account”. The Operating Account also had a saving component (the “Savings Account”), which held a 20% holdback of professional fees.⁸ This Savings Account was closed during the Reporting Period after the Court authorized the payment of fees previously held back. The balance in the Operating Account, as of March 31, 2020, was \$1,273,974.30.

⁷ Docket No. 1400.

⁸ See Docket No. 828 (*Order Approving the Receiver's Third Interim Fee Application for Receiver and Receiver's Professionals for Services Rendered from July 1, 2013 through December 31, 2013*).

B. Operating Account Deposits. The sources of funds deposited into the Operating Account during the Reporting Period are shown in the following table:

Source	Amount In
Real estate sales proceeds	\$488,855.40
Bank interest ⁹	\$578.38
TOTAL	\$489,433.78

C. Operating Account Expenditures. The following table shows the categories of operating expenses that have been paid from the Operating Account during the Reporting Period:

Type of Expense	Amount Out
Real estate publication costs	\$223.88
Tax filing fee	\$100.00
Operating expenses	\$169.85
TOTAL	\$493.73

D. SFAR. Attached as Exhibit B is a copy of the *Standardized Fund Accounting Report* for the Reporting Period.

E. Administrative Expenses. On February 18, 2020, the Court entered an *Order* approving a *Fee Application* for the Receiver and his counsel for the period from January 1, 2019 to December 31, 2019.¹⁰ The 2019 fees, in the amount of \$13,625.00 to the Receiver and \$25,140.70 to Dorsey & Whitney LLP (“Dorsey”) were paid on February 25, 2020. In that Order, the Court also released attorneys’ fees that it ordered held back in 2014.¹¹ As a result, fees for work in 2013 were released to the Receiver in the amount of \$62,387.92 and to Dorsey in the

⁹ This includes \$311.66 in interest earned on the Savings Account.

¹⁰ Docket No. 1468.

¹¹ See Docket No. 828 (*Order Approving the Receiver’s Third Interim Fee Application for Receiver and Receiver’s Professionals for Services Rendered from July 1, 2013 through December 31, 2013*).

amount of \$60,397.10. Interest of \$311.66 that had accrued on the holdback amount was transferred to the Receivership Estate's Operating Account.¹²

For the current Reporting Period, the Receiver and his staff have spent a total of 25.6 hours on behalf of the Receivership Estate. Billable services provided by the Receiver during the Reporting Period total \$4,997.50. For the current Reporting Period, Dorsey's total fees, less voluntary reductions, are in the total amount of \$1,353.00.¹³ The Receiver intends to wait to submit a final fee application for work performed in 2020 in connection with his motion seeking to close the Receivership.

V.

NEXT STEPS

The Receiver anticipates addressing the two remaining tasks in the coming months:

A. Final Distribution. The Receiver will file a motion seeking approval to make a third and final distribution of available funds in the Receivership Estate and, if the motion is approved, send out distribution payments to allowed claimants.

B. Closing the Estate. When the distribution has been accomplished and all payments cashed, the Receiver will seek approval to close the Receivership, including appropriate ancillary relief from the Court.

¹² Docket No. 1468.

¹³ After the close of the Reporting Period, Peggy Hunt, the Dorsey attorney responsible for this matter, left Dorsey to join the firm of Greenberg Traurig, LLP ("GT"). A request to employ GT will be filed shortly at no cost to the Receivership Estate.

VI.

CONCLUSION

The Receiver hopes expeditiously to make a final distribution and close the Receivership.

DATED this 4th day of May, 2020.



WAYNE KLEIN, Receiver

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that service of the above **THIRTY-FIRST STATUS REPORT OF R. WAYNE KLEIN, RECEIVER** was filed with the Court on this 8th day of May, 2020, and served via ECF on all parties who have requested notice in this case.

/s/ Candy Long_____

EXHIBIT A

	A	B	C	D	E	F	G
1		REAL PROPERTIES--STATUS					
2		As of 12/31/19. Investigation Ongoing. All Information Subject to Change.					
3		The numbers in the first column correspond with numbers of these properties as described in the Receiver's First Status Report.					
4		Property Name	Location	Appraised Value	Sales Price	Net Sale Proceeds	Status
5		PROPERTIES CURRENTLY IN RECEIVERSHIP ESTATE					
6	3	Elkhorn Ridge Estates-37 Building Lots	Malad, ID				
7		Lot #9 (2.5 acres)		14,000	11,000	10,033.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
8		Lot #10 (2.5 acres)		14,000	9,500	8,654.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
9		Lot #11 (2.5 acres)		14,000	12,000	10,992.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/3/20
10		Lot #12 (2.5 acres)		14,000	11,500	10,522.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
11		Lot #13 (5.0 acres)		14,000	20,500	18,928.67	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/21/20
12		Lot #14 (5.0 acres)		14,000	23,500	21,730.67	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/21/20
13		Lot #15 (2.5 acres)		14,000	11,000	10,058.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/3/20
14		Lot #16 (2.5 acres)		14,000	11,500	10,522.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/3/20
15		Lot #17 (2.5 acres)		14,000	11,500	10,522.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
16		Lot #18 (2.5 acres)		14,000	12,500	11,456.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
17		Lot #19 (2.5 acres)		14,000	14,000	12,860.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
18		Lot #20 (2.5 acres)		14,000	15,000	13,794.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
19		Lot #21 (2.5 acres)		14,000	15,000	13,794.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
20		Lot #23 (2.7 acres)		15,000	12,500	11,456.82	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
21		Lot #24 (2.5 acres)		15,000	14,000	12,860.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/18/20
22		Lot #26 (2.8 acres)		16,000	16,500	15,192.75	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/24/20
23		Lot #27 (2.5 acres)		14,000	11,500	10,522.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
24		Lot #28 (2.5 acres)		14,000	13,000	11,776.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
25		Lot #29 (2.8 acres)		16,000	14,500	13,324.82	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
26		Lot #30 (2.6 acres)		15,000	13,500	12,390.83	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
27		Lot #31 (2.8 acres)		16,000	14,500	13,324.82	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
28		Lot #32 (2.5 acres)		14,000	15,500	14,258.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
29		Lot #33 (2.5 acres)		14,000	13,500	12,390.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
30		Lot #34 (2.5 acres)		14,000	13,500	12,390.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
31		Lot #35 (2.5 acres)		14,000	15,000	13,794.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
32		Lot #36 (2.5 acres)		14,000	15,000	13,794.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
33		Lot #37 (2.5 acres)		14,000	12,000	10,992.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
34		Lot #38 (3.8 acres)		16,000	16,500	15,192.75	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/27/20
35		Lot #39 (3.8 acres)		16,000	17,500	16,126.75	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
36		Lot #40 (2.5 acres)		14,000	13,000	11,926.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/3/20
37		Lot #41 (2.5 acres)		14,000	15,000	13,644.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/21/20
38		Lot #42 (2.5 acres)		14,000	13,500	12,390.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/3/20
39		Lot #43 (2.5 acres)		14,000	17,000	15,662.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/18/20
40		Lot #44 (2.4 acres)		14,000	17,500	16,126.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 2/18/20
41		Lot #45 (2.5 acres)		14,000	17,000	15,662.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
42		Lot #46 (2.5 acres)		14,000	17,000	15,662.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/17/20
43		Lot #47 (2.5 acres)		14,000	15,500	14,108.84	Auction approved (Dkt. #1461). Auction 12/17/19. Sale closed 1/24/20
44							

	A	B	C	D	E	F	G
45		PROPERTIES SOLD OR RELEASED					
46		Property Name	Location	Listing Price	Sales Price	Net Sale Proceeds	Status
47		1 River Run/Riverbend Subdivision-Land	Middleton, ID	N.A.	N.A.	N.A.	No equity. Court approved release of property to lender [Dkt. No. 590]
48		2 Single family home: 1st Avenue	Middleton, ID	115,000	105,000	102,461.72	Sale approved [Docket No. 734]. Sale closed 10/15/14
49		Single family home: Hawthorne Ave.	Middleton, ID	80,000	76,000	69,569.48	Sale approved [Docket No. 804]. Sale closed 11/17/14
50		3 Elkhorn Ridge Estates-47 Building Lots	Malad, ID				Lots sold to date are:
51		Lot #1		135,000	155,000	142,834.78	Sale approved [Docket No. 419] Sale closed 8/29/13
52		Lot #2		35,000	31,500	27,725.00	Sale approved [Docket No. 492] Sale closed 12/6/13
53		Lot #3		35,000	22,000	19,344.67	Sale approved [Docket No. 1261]. Sale closed 1/31/17
54		Lot #4		35,000	35,000	30,893.21	Sale approved [Docket No. 231] Sale closed 4/26/13
55		Lot #5		80,000	80,000	71,803.14	Sale approved [Docket No. 231] Sale closed 4/8/13
56		Lots #6 & 7		70,000	44,000	39,483.79	Sale approved [Docket No. 1295]. Sale closed 6/9/17
57		Lot #22			22,000	19,322.15	Sale approved [Docket No. 1364]. Sale closed 4/2/18
58		Lot #25			25,200	22,178.62	Sale approved [Docket No. 1341]. Sale closed 1/29/18
59		Lot #48		80,000	80,000	73,620.84	Sale approved [Docket No. 231] Sale closed 4/9/13
60		4 Elkhorn Ridge-4 Undeveloped Parcels	Malad, ID	250,000	240,000	226,369.05	Sale approved [Docket No. 1173]. Sale closed 9/9/16
61		5 Manhattan Grille Condominium	Manhattan, MT	49,000	51,000	45,933.32	Sale approved [Docket No. 300] Sale closed 6/5/13
62		6 Twin Pines Apartments	Brigham City, UT	N.A.		172,020.02	Sale approved [Docket No. 736]. Sale closed 9/14/14
63		7 Ogden Office Building (49% ownership)	Ogden, UT	699,000	600,000	241,836.07	Sale approved via auction [Docket No. 1042]. Sale closed 1/6/16
64		8 Summit Park Lot	Summit Park, UT	40,000	37,500	32,477.61	Sale approved [Docket No. 135] Sale closed 1/24/13
65		9 Bandanna Cabin	Fruitland, UT	260,000	260,000	226,374.07	Sale at auction approved [Docket No. 341] Sale closed 10/24/13
66		10 Deer Meadows	Duchesne Co., UT	54,000	41,000.00	34,506.47	Sale approved [Docket No. 1369]. Sale closed 6/6/18
67		11 Outpost/Indian Canyon	Duchesne Co., UT	N.A.	148,222.56	134,068.12	Sale approved [Docket No. 269] Sale closed 8/21/13
68		12 East Meadows Mobile Home Park	Vernal, UT	N.A.	1,025,000	979,620.29	Sale approved [Docket No. 292] Sale closed 7/29/13
69		13 Quail Hollow Apartments	Vernal, UT	N.A.	N.A.	N.A.	Determined not owned by Receivership Estate
70		14 Residential Building Lots at 900 West	Salt Lake City, UT	N.A.	70,000	65,295.00	Sale approved [Docket No. 263] Sale closed 5/8/13
71		15 Cottonwood Road Property-4 acres	Salt Lake City, UT	N.A.	N.A.	N.A.	No equity; court approved release of property to lender [Dkt. No. 179]
72		15 Cottonwood Road Property-1 acre	Salt Lake City, UT	N.A.	291,000	279,189.07	Sale at auction approved [Docket No. 495] Sale closed 11/8/13
73		16 National Note Office Building	West Jordan, UT	285,000	285,000	55,903.09	Sale approved [Docket No. 161] Sale closed 3/19/13
74		17 Palmer Residence	West Jordan, UT	N.A.	N.A.	N.A.	No equity. Court approved abandonment of property [Dkt. No. 869]
75		18 Star Pointe Development	Salt Lake City, UT	N.A.	N.A.	70,000.00	Court approved settlement agreement with lender [Docket No. 608]
76		19 Autumn Ridge Subdivision-Phase I	Eagle Mtn., UT				
77		Phase I-Lot #2		37,000	39,900	35,635.21	Sale approved [Docket No. 692]. Sale closed 7/8/14
78		Phase I-Lot #3		37,000	39,900	35,711.84	Sale approved [Docket no. 644] Sale closed 5/1/14
79		Phase I-Lot #4		37,000	37,000	30,821.91	Sale approved to builders [Docket No. 293] Sale closed 6/3/13
80		Phase I-Lot #6		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
81		Phase I-Lot #7		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
82		Phase I-Lot #8		37,000	37,000	31,554.15	Sale approved to builders [Docket No. 293] Sale closed 5/31/13
83		Phase I-Lot #11		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
84		Phase I-Lot #16		37,000	39,900	35,903.39	Sale approved [Docket No. 696]. Sale closed 7/18/14
85		Phase I-Lot #21		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
86		Phase I-Lot #30		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
87		Phase I-Lot #33		37,000	37,000	30,775.92	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
88		Phase I-Lot #39		37,000	39,900	35,903.39	Sale approved [Docket No. 696]. Sale closed 7/18/14
89		Phase I-Lot #40		37,000	37,000	30,911.96	Sale approved to builders [Docket No. 293] Sale closed 9/25/13
90		Phase I-Lot #41		37,000	37,000	30,857.73	Sale approved to builders [Docket No. 293] Sale closed 8/14/13

	A	B	C	D	E	F	G
91		Phase I-Lot #51		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
92		Phase I-Lot #52		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
93		Phase I-Lot #54		37,000	37,000	31,554.16	Sale approved to builders [Docket No. 293] Sale closed 5/31/13
94		Phase I-Lot #55		37,000	37,000	31,355.85	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
95		Phase I-Lot #60		37,000	37,000	31,355.89	Sale approved to builders [Docket No. 293] Sale closed 10/31/13
96		Phase II-62 Building Lots		N.A.	538,000	446,610.24	Sale approved [Docket No. 460] Sale closed 10/1/13
97	20	Overland Trails	Eagle Mtn., UT	340,000	690,000.00	625,681.94	Sale approved via auction [Docket No. 1431] Sale closed 1/18/19
98	21	Cedar Fort Land (Fairfield)-8 acres	Fairfield, UT	24,000	25,000	22,274.21	Sale at auction approved [Docket No. 458] Sale closed 11/14/13
99	21	Cedar Fort Land (Fairfield)-85 Acres	Fairfield, UT	255,000	213,925	242,656.49	Sale approved [Docket No. 1186]. Sale closed 8/12/16
100	22	Expressway Business Park	Spanish Fork, UT				
101		Unit #109		N.A.	N.A.	N.A.	No equity; Court approved release to lender [Docket No. 241]
102		Unit #305		65,000	69,000	55,840.79	Court approved sale at auction [Docket No. 270] Sale closed 6/27/13
103		Unit #204		N.A.	N.A.	N.A.	No equity; Court approved release to lender [Docket No. 364]
104		Unit #215		N.A.	127,500	112,965.27	Sale approved at auction [Docket No. 393] Sale closed 10/30/13
105	23	Expressway Business Park-Land	Spanish Fork, UT	1,250,000	775,000	357,412.55	Sale at auction approved [Docket No. 1320]. Sale closed 12/22/17
106	24	Gooseberry Cabin	Fairview, UT	N.A.	N.A.	N.A.	No equity; Court approved release to lender [Docket No. 125]
107	25	Almond Heights-21 Building Lots	Toquerville, UT	842,000			
108		Lot #A-2		159,750	148,200	118,730.60	Sale Approved [Docket No. 1099] Sale closed 3/22/16
109		Lot #C-2		34,200	30,780	24,136.91	Sale Approved [Docket No. 1075] Sale closed 3/1/16
110		Lot #F		32,300	31,000	24,733.41	Sale approved [Docket No. 988] Sale closed 8/24/15
111		Lot #F-3		35,150	31,635	24,887.93	Sale Approved [Docket No. 1075] Sale closed 3/1/16
112		Lot #7		38,000	32,000	29,388.95	Sale approved [Docket No. 829]. Sale closed 12/18/14
113		Lot #10		38,950	36,000	30,552.54	Sale approved [Docket No. 906]. Sale closed 3/31/15
114		Lot #11		37,050	32,000	6,788.12	Sale approved [Docket No. 829]. Sale closed 12/16/14
115		Lot #12		38,000	32,000	6,787.90	Sale approved [Docket No. 829]. Sale closed 12/16/14
116		Lot #13		37,050	32,000	6,787.75	Sale approved [Docket No. 829]. Sale closed 12/16/14
117		Lot #14		35,150	31,635	6,525.25	Sale Approved [Docket No. 1075] Sale closed 3/1/16
118		Lot #15		33,250	29,925	6,254.50	Sale Approved [Docket No. 1075] Sale closed 3/1/16
119		Lot #17		30,400	24,000	21,752.44	Sale approved [Docket No. 829]. Sale closed 12/11/14
120		Lot #18		30,400	27,360	23,562.06	Sale Approved [Docket No. 1075] Sale closed 3/1/16
121		Lot #19		22,800	18,600	-1,200.46	Sale Approved [Docket No. 1068] Sale closed 1/25/16
122		Lot #20		22,800	18,600	-1,526.81	Sale Approved [Docket No. 1068] Sale closed 1/25/16
123		Lot #21		11,500	7,700	4,198.82	Sale approved [Docket No. 1256]. Sale closed 2/9/17
124		Lot #22					Sale approved [Docket No. 1256]. Sale closed 2/9/17
125		Lot #23		31,350	24,000	20,346.06	Sale approved [Docket No. 998]. Sale closed 9/4/15
126		Lot #24		33,250	31,000	26,672.24	Sale approved [Docket No. 998]. Sale closed 9/4/15
127		Lot #25		35,150	34,000	29,216.54	Sale approved [Docket No. 951]. Sale closed 5/21/15
128		Lot #26		34,200	32,000	27,151.02	Sale approved [Docket No. 829]. Sale closed 12/17/14
129	26	Kanab Home	Kanab, UT	199,000	197,000	18,162.90	Sale approved [Docket No. 746]. Sale closed 9/4/14
130	27	Farrell Business Park-12 Units	Gilbert, AZ				
131		Unit 103		76,631	101,631	83,997.05	Court approved sale at auction [Docket No. 202] Sale closed 5/31/13
132		Unit 104		76,631	101,631	83,997.05	Court approved sale at auction [Docket No. 202] Sale closed 5/31/13
133		Unit 105		80,000	92,000	70,392.98	Court approved sale at auction [Docket No. 203] Sale closed 5/21/13
134		Unit 106		80,000	97,000	74,832.11	Court approved sale at auction [Docket No. 204] Sale closed 6/7/13
135		Unit 107		80,000	90,000	67,699.81	Court approved sale at auction [Docket No. 205] Sale closed 6/7/13
136		Unit 109		80,000	80,000	59,194.91	Court approved sale at auction [Docket No. 206] Sale closed 5/16/13
137		Unit 110		80,000	80,000	59,194.91	Court approved sale at auction [Docket No. 206] Sale closed 5/16/13

	A	B	C	D	E	F	G
138		Unit 111		80,000	80,000	59,194.92	Court approved sale at auction [Docket No. 206] Sale closed 5/16/13
139		Unit 113		80,000	107,000	85,094.45	Court approved sale at auction [Docket No. 207] Sale closed 6/3/13
140		Unit 114		80,000	107,000	85,094.45	Court approved sale at auction [Docket No. 207] Sale closed 6/3/13
141		Unit 115		80,000	80,000	59,288.00	Court approved sale at auction [Docket No. 208] Sale closed 6/11/13
142		Unit 116		80,000	80,000	59,288.00	Court approved sale at auction [Docket No. 208] Sale closed 6/11/13
143	28	Clearview Business Park-8 Units	Mesa, AZ	415,954	737,000	591,295.43	Court approved sale at auction [Docket No. 177] Sale closed 5/10/13
144	29	Bear Grove Industrial Park-8 Lots	Byron, MN	1,675,200			
145		Parcel #8516		281,500	210,000	10,000.00	Sale approved [Docket No. 853]. Sale closed 3/27/15
146		Parcel #8509		156,700	149,000	98,795.03	Sale approved [Docket No. 849]. Sale closed 3/16/15
147		Parcel #8512		305,000	235,000	6,500.00	Sale approved [Docket No. 854]. Sale closed 3/6/15
148		Parcel #6060		340,000	235,000	10,000.00	Sale approved [Docket No. 875]. Sale closed 3/24/15
149		Lot 3, Block 1 (Parcel #8510)		149,500	149,500	95,340.47	Sale approved [Docket No. 989] Sale closed 9/30/15
150		Block 2, Lots 4-5		448,300	448,300	279,963.57	Sale at auction approved [Docket No. 1084] Sale closed 3/31/16
151		Block 2, Lot 1		285,000	280,000	34,019.74	Sale approved [Docket No. 1118]. Sale closed June 15, 2016
152		Block 1, Lot 4		285,000	288,520	10,000.00	Sale approved [Docket No. 1361]. Sale closed 4/16/18.
153	30	Georgia Single Family Residence	Temple, GA	135,000	125,000	106,843.83	Sale approved [Docket No. 553] Sale closed 1/10/14
154	31	Chicago Single Family Residence	Chicago, IL	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
155	32	Cleveland Single Family Residence	Cleveland, OH	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
156	33	Cleveland Building Lot	Cleveland, OH	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
157	34	Toledo Single Family Residence	Toledo, OH	N.A.	N.A.	N.A.	No value; Court approved abandonment [Docket No. 434] Order 9/10/13
158							
159		Total		12,181,116.00	11,712,463.92	8,202,038.80	

EXHIBIT B

Wayne Klein, Receiver for National Note of Utah
PO Box 1836
Salt Lake City, UT 84110
801-824-9616

STANDARDIZED FUND ACCOUNTING REPORT

Civil – Receivership Fund

Fund Name: SEC v. National Note of Utah
Civil Court Docket No. 2:12-CV-00591 BSJ

Reporting Period 01/01/2020 to 03/31/2020

Standardized Fund Accounting Report for National Note of Utah - Cash Basis				
Receivership; Civil Court Docket No. 2:12-CV-00591 BSJ				
Reporting Period 01/01/2020 to 03/31/2020				
Fund Accounting (See Instructions):				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 01/01/2020):	\$946,896.63		
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	\$0.00		
Line 3	Cash and Securities	\$0.00		
Line 4	Interest/Dividend Income	\$266.72		
Line 5	Business Asset Liquidation	\$488,855.40		
Line 6	Personal Asset Liquidation	\$0.00		
Line 7	Third-Party Litigation Income	\$0.00		
Line 8	Miscellaneous - Other	\$0.00		
	Total Funds Available (Lines 1 - 8)		\$1,436,018.75	
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	\$0.00		
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	\$76,012.92		
Line 10b	Business Asset Expenses	\$393.73		
Line 10c	Personal Asset Expenses	\$0.00		
Line 10d	Investment Expenses	\$0.00		
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees	\$85,537.80		
	2. Litigation Expenses	\$0.00		
	Total Third-Party Litigation Expenses	\$85,537.80		
Line 10f	Tax Administrator Fees and Bonds	\$0.00		
Line 10g	Federal and State Tax Payments	\$100.00		
	Total Disbursements for Receivership Operations	\$162,044.45		
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:	\$0.00		
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Miscellaneous	\$0.00		

	<i>Total Plan Development Expenses</i>	\$0.00		
Line 11b	<i>Distribution Plan Implementation Expenses:</i>			
	1. Fees:	\$0.00		
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Investor Identification:	\$0.00		
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond	\$0.00		
	5. Miscellaneous	\$0.00		
	6. Federal Account for Investor Restitution	\$0.00		
	(FAIR) Reporting Expenses	\$0.00		
	<i>Total Plan Implementation Expenses</i>	\$0.00		
	Total Disbursements for Distribution Expenses Paid by the Fund	\$0.00		
Line 12	<i>Disbursements to Court/Other:</i>			
	<i>Investment Expenses/Court Registry Investment System</i>			
Line 12a	<i>(CRIS) Fees</i>	\$0.00		
Line 12b	<i>Federal Tax Payments</i>	\$0.00		
	Total Disbursements to Court/Other	\$0.00		
	Total Funds Disbursed (Lines 9 - 12):		\$162,044.45	
Line 13	Ending Balance (As of 03/31/2020):			\$1,273,974.30
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	<i>Cash & Cash Equivalents</i>	\$1,273,974.30		
Line 14b	<i>Investments</i>	\$0.00		
Line 14c	<i>Other Assets or Uncleared Funds</i>	\$0.00		
	Total Ending Balance of Fund - Net Assets			\$1,273,974.30
Other Supplemental Information:				
		Detail	Subtotal	Grand Total
	<i>Report of Items NOT To Be Paid by the Fund:</i>			
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	<i>Plan Development Expenses Not Paid by the Fund:</i>			
	1. Fees:	\$0.00		

	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Miscellaneous	\$0.00		
	<i>Total Plan Development Expenses Not Paid by the Fund</i>	\$0.00		
Line 15b	Plan Implementation Expenses Not Paid by the Fund:			
	1. Fees:	\$0.00		
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Investor Identification:	\$0.00		
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond	\$0.00		
	5. Miscellaneous	\$0.00		
	6. FAIR Reporting Expenses	\$0.00		
	<i>Total Plan Implementation Expenses Not Paid by the Fund</i>	\$0.00		
Line 15c	Tax Administrator Fees and Bonds Not Paid by the Fund	\$0.00		
	Total Distributions for Plan Administration Expenses Not Paid by the Fund	\$0.00		
Line 16	Disbursements to Court/Other Not Paid by the Fund:			
	<i>Investment Expenses/Court Registry Investment System</i>			
Line 16a	(CRIS) Fees	\$0.00		
Line 16b	Federal Tax Payments	\$0.00		
	Total Disbursements to Court/Other Paid by the Fund:	\$0.00		
Line 17	DC & State Tax Payments	\$0.00		
Line 18	No. of Claims:			
Line 18a	# of Claims Received This Reporting Period	0		
Line 18b	# of Claims Received Since Inception of Fund	468		
Line 19	No. of Claimants/Investors:			

Line 19a	# of Claimants/Investors Paid This Reporting Period	0		
Line 19b	# of Claimants/Investors Paid Since Inception of Fund	433		
		Receiver: <i>National Note of Utah</i>		
		By: <i>Wayne Klein</i>		
		(signature)		
		<i>Wayne Klein</i>		
		(printed name)		
		<i>Receiver</i>		
		(title)		
		Date: <i>April 20, 2020</i>		

NNU SFAR - 1st Quarter 2020							
Line Breakdown							
	Line 2	Line 4	Line 5	Line 6	Line 7	Line 8	Total
Rent Received	\$0.00						
Overpaid Investors					\$0.00		
National Note			\$488,855.40	\$0.00	\$0.00		
Real Estate Holding			\$0.00				
Royalties Received						\$0.00	
Interest		\$266.72					
Refunds						\$0.00	
Witness Fees						\$0.00	
Advances by Receiver							
	\$0.00	\$266.72	\$488,855.40	\$0.00	\$0.00	\$0.00	\$489,122.12
	Line 9	Line 10a	Line 10b	Line 10e-1	Line 10e-2	Line 10g	Total
Receivership Expenses	\$0.00	\$76,012.92	\$393.73	\$85,537.80	\$0.00	\$100.00	
Refund Deposit from Prior Period			\$0.00				
Adjustment - NNU Account			\$0.00				
	\$0.00	\$76,012.92	\$393.73	\$85,537.80	\$0.00	\$100.00	\$162,044.45
	Line 14a						
National Note	\$36,827.87						
Savings	\$0.00						
High-Yield Operating	\$1,237,146.43						
Real Estate Holding	\$0.00						
High-Yield Real Estate	\$0.00						
	\$1,273,974.30						
Created by James Shupe on 4/18/2020							